

REMARKS

In the Office Action¹ mailed October 26, 2010, the Examiner:

1. rejected claims 1-6 under 35 U.S.C. § 101 as allegedly being directed to non-statutory subject matter, software per se;
2. rejected claims 1-6 under 35 U.S.C. § 112, second paragraph, as allegedly being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention;
3. rejected claims 1-4 and 6 under 35 U.S.C. § 102(e) as allegedly being anticipated by U.S. Pat. No. 7,219,080 to Wagoner et al. ("*Wagoner*");
4. rejected claims 1-3 and 5 under 35 U.S.C. § 102(e) as allegedly being anticipated by U.S. Pat. No. 7,330,826 to Porat et al. ("*Porat*");
5. rejected claim 5 under 35 U.S.C. § 103(a) as allegedly being unpatentable over *Wagoner* as applied to claims 1, 2 and 3, and further in view of *Porat*;
6. rejected claims 4 and 6 under 35 U.S.C. § 103(a) as allegedly being unpatentable over *Porat* as applied to claims 1, 2 and 3, and further in view of *Wagoner*.

By this Amendment, Applicant has amended claims 1-6. These amendments are made without prejudice or disclaimer.

Claims 1-6 ("the pending claims") are currently under examination. In light of the claim amendments made herein and for the reasons stated below, Applicant requests reconsideration and removal of the rejections of the pending claims under 35 U.S.C. §§ 101, 102(e), 103(a) and 112.

1. Rejection Under 35 U.S.C. § 101

The Office Action rejects independent claim 1 under 35 U.S.C. §101 as allegedly being directed to non-statutory subject matter, software per se. Applicant has amended claim 1 to recite a "computer-implemented auction system for carrying out an auction in a computer network to which a plurality of nodes are connected, comprising . . .". Similar amendments have been made to claims 2-6.

As set forth in *In re Bilski*, "a claimed process is surely patent-eligible under § 101 if: (1) it is tied to a particular machine or apparatus, or (2) it transforms a particular article into a different state or thing." *In re Bilski*, 545 F.3d 943, at 954 (Fed. Cir. 2008) (en banc). Because the claims are tied to machines (i.e., a computer network), Applicant submit that claims 1-6 recite statutory subject matter.

2. Rejection Under 35 U.S.C. § 112

The Office Action rejects claims 1-6 under 35 U.S.C. §112, second paragraph, as allegedly failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention. Applicant would like to thank the Examiner for the guidance provided and has amended the claims to address the Examiner's concerns.

¹ The Office Action contains a number of statements reflecting characterizations of the related art and the claims. Regardless of whether any such statement is identified herein, Applicant declines to automatically subscribe to any statement or characterization in the Office Action.

Applicant therefore requests reconsideration and withdrawal of the rejection of claims 1-6 under 35 U.S.C. §112, second paragraph.

3. Rejection of Claims 1-4 and 6 Under 35 U.S.C. § 102(e)

Applicant respectfully traverses the rejection of claims 1-4 and 6 under 35 U.S.C. § 102(e) as being allegedly anticipated by *Wagoner*. In order to properly establish that *Wagoner* anticipates Applicant's claim under 35 U.S.C. § 102, each and every element of the claim in issue must be found, either expressly described or under principles of inherency, in that single reference. See M.P.E.P. § 2131, quoting *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 U.S.P.Q.2d 1051, 1053 (Fed. Cir. 1987). Furthermore, "[t]he identical invention must be shown in as complete detail as is contained in the . . . claim." See M.P.E.P. § 2131, quoting *Richardson v. Suzuki Motor Co.*, 868 F.2d 1126, 1236, 9 U.S.P.Q.2d 1913, 1920 (Fed. Cir. 1989).

Independent claim 1, as amended, discloses "a submitting node configured to transmit . . . information indicating whether or not the product is to be resubmitted for auction if a transaction fails to be established." *Wagoner* does not teach or even suggest at least this element of independent claim 1.

Wagoner describes a "continuous online auction system and method enabling the auctioning of products." (*Wagoner*, abstract). But *Wagoner* does not disclose or even suggest "a submitting node configured to transmit . . . information indicating whether or not the product is to be resubmitted for auction if a transaction fails to be established." Rather, *Wagoner* merely teaches "(1) receiving . . . one or more seller parameters from a first seller; and (2) modifying the one or more seller parameters based upon the one or more auction parameters." (*Wagoner*, col. 2, line 56-59).

However, “a submitting node configured to transmit . . . information indicating whether or not the product is to be resubmitted for auction if a transaction fails to be established” is neither expressly nor inherently described in “(1) receiving . . . one or more seller parameters from a first seller; and (2) modifying the one or more seller parameters based upon the one or more auction parameters.”

Because *Wagoner* does not disclose each and every element recited by independent claim 1, *Wagoner* cannot anticipate that claim. Applicant respectfully submits that the rejection of claim 1 is thus overcome for at least this reason. Therefore, Applicant respectfully requests that the Examiner withdraw the rejection of claim 1 under 35 U.S.C. § 102(b).

Claims 2-4 and 6 depend from claim 1, require all of the elements recited therein, and are thus allowable for the same reason, as well as by reason of reciting additional features not taught or suggested by the cited reference. Accordingly, for at least the reasons discussed above, Applicants respectfully request withdrawal of the rejection of claims 2-4 and 6 under 35 U.S.C. § 102(e).

4. Rejection of Claims 1-3 and 5 Under 35 U.S.C. § 102(e)

Applicants respectfully traverse the rejection of claims 1-3 and 5 under 35 U.S.C. § 102(e) as allegedly being anticipated by *Porat*. Amended independent claim 1 recites a combination of elements including, for example, “a submitting node configured to transmit . . . information indicating whether or not the product is to be resubmitted for auction if a transaction fails to be established”. *Porat* does not teach or even suggest at least this element of independent claim 1. Rather, *Porat* discloses a “system and business model . . . for facilitating a fully automated buyer’s auction” (*Porat*, abstract).

But *Porat* does not disclose or suggest “a submitting node configured to transmit . . . information indicating whether or not the product is to be resubmitted for auction if a transaction fails to be established.” Rather, *Porat* merely teaches “describ[ing] the process by which the seller creates and stores his business rules for the auction.” (*Porat*, col. 45, line 8-9). However, “a submitting node configured to transmit . . . information indicating whether or not the product is to be resubmitted for auction if a transaction fails to be established” is neither expressly nor inherently described in “describ[ing] the process by which the seller creates and stores his business rules for the auction.”

Because *Porat* does not disclose each and every element recited by independent claim 1, *Porat* cannot anticipate that claim. Applicant respectfully submits that the rejection of claim 1 is thus overcome for at least this reason. Therefore, Applicant respectfully requests that the Examiner withdraw the rejection of claim 1 under 35 U.S.C. § 102(e).

Claims 2, 3, and 5 depend from claim 1, require all of the elements recited therein, and are thus allowable for the same reason, as well as by reason of reciting additional features not taught or suggested by the cited reference. Accordingly, for at least the reasons discussed above, Applicants respectfully request withdrawal of the rejection of claims 2, 3, and 5 under 35 U.S.C. § 102(e).

5. Rejection of Claim 5 Under 35 U.S.C. § 103(a)

Applicant respectfully traverses the rejection of claim 5 under 35 U.S.C. § 103(a) as being unpatentable over *Wagoner*, as applied to claims 1, 2, and 3, in view of *Porat*.

The key to supporting any rejection under 35 U.S.C. § 103 is the clear articulation of the reason(s) why the claimed invention would have been obvious. See M.P.E.P. § 2142, 8th Ed., Rev. 6 (Sept. 2007). The Supreme Court in *KSR* noted that the analysis supporting a rejection under 35 U.S.C. § 103 should be made explicit and stated that “rejections on obviousness cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness.” See M.P.E.P. § 2141. In comparing the claim to the prior art, three factual inquiries must be addressed: (1) the scope and content of the prior art must be ascertained; (2) the differences between the claimed invention and the prior art must be determined; and (3) the level of ordinary skill in the pertinent art at the time of the invention was made must be evaluated. See *id.*

Applicant respectfully submits that, in this application, a *prima facie* case of obviousness has not been established because the Office Action has neither properly determined the scope and content of the prior art nor properly ascertained the differences between the claimed invention as amended and the prior art. Accordingly, the Office Action has failed to clearly articulate a reason why the prior art would have rendered the claimed invention obvious to one of ordinary skill in the art.

As explained above, neither *Wagoner* nor *Porat* discloses or suggests “a submitting node configured to transmit . . . information indicating whether or not the product is to be resubmitted for auction if a transaction fails to be established” as recited in independent claim 1. Claim 5 depends from claim 1, requires all of the elements recited therein, and is thus allowable for the same reason, as well as by reason of reciting additional features not taught or suggested by the cited references. Therefore,

Applicant respectfully requests withdrawal of the rejection of claim 5 under 35 U.S.C. § 103(a).

6. Rejection of Claim 5 Under 35 U.S.C. § 103(a)

Applicant respectfully traverses the rejection of claims 4 and 6 under 35 U.S.C. § 103(a) as being unpatentable over *Porat* as, applied to claims 1, 2, and 3, in view of *Wagoner*. As explained above, neither *Wagoner* nor *Porat* discloses or suggests “a submitting node configured to transmit . . . information indicating whether or not the product is to be resubmitted for auction if a transaction fails to be established” as recited in independent claim 1. Claims 4 and 6 depend from claim 1, require all of the elements recited therein, and are thus allowable for the same reason, as well as by reason of reciting additional features not taught or suggested by the cited references. Therefore, Applicant respectfully requests withdrawal of the rejection of claim 4 and 6 under 35 U.S.C. § 103(a).

Conclusion

In view of the foregoing, Applicants respectfully request reconsideration and reexamination of this application and the timely allowance of the pending claims. Please grant any extensions of time required to enter this response and charge any additional required fees to our Deposit Account No. 06-0916.

Respectfully submitted,

FINNEGAN, HENDERSON, FARABOW,
GARRETT & DUNNER, L.L.P.

By: /David W. Hill/
David W. Hill
Reg. No. 28,220

Dated: April 26, 2011